



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

JAY B. RISING
STATE TREASURER

REGULAR MEETING OF THE STATE TAX COMMISSION

PRESENT: Robert H. Naftaly, Chair, Member STC
Robert R. Lupi, Member STC
Douglas B. Roberts, Member STC

Dennis W. Platte, Executive Secretary
Marie G. Medlock, Recording Secretary

DATE OF MEETING: September 24, 2003

PLACE OF MEETING: Bureau of Local Government Conference Room A
1st Floor Treasury Building
Lansing, MI

TIME OF MEETING: 9:30 A.M.

The agenda for the meeting is attached to and made a part of these minutes. The item numbers referred to in the minutes correspond to the agenda items as numbered.

Item 1. It was moved by Roberts, supported by Lupi, and unanimously approved to adopt minutes of September 9, 2003 as presented.

Item 2. **Scheduled for 11:00 A.M.**
Discussion regarding the methods of valuation of State Assessed properties. The Commission admitted Exhibit 1.

Item 3. Discussion regarding the issues related to the valuation of electric cooperatives. The Commission directed the following:

- a) A letter should be sent to assessors and electric cooperatives informing them of the STC decision that CIAC should not be reported starting in 2004.
- b) Staff should require that all cooperatives supply a copy of their 2003 reporting forms in order to determine whether they reported costs correctly in 2003.
- c) Staff should initiate omitted property appeals for cooperatives that did not report all of their "indirect costs" for the first time in 2003, if time permits.
- d) Staff should address the method of accounting for new acquisitions and disposals used by cooperatives, if time permits.
- e) Staff should research the question of whether there is a more accurate method for valuing cooperatives, if time permits.
- f) Staff should work to assure that CIAC is excluded from the valuation of electric T&D assets when the multipliers are re-studied.

September 24, 2003

- g) The Commission offers no opinion regarding pending valuation appeals before the Michigan Tax Tribunal where electric cooperatives are the subject of appeal.

Item 4. The Commission requested that staff prepare memos on complicated issues. The Commission approved the present procedure of finalizing STC agendas as late as the day of the meeting.

Item 5. It was moved by Roberts, and supported by Lupi, that a letter be sent to the units involved directing that they submit a plan to correct the omission of assessable property.

Item 6. Classification Appeal 03-066B, Masco Conf. Training Center/Metamora Inc. It was moved by Lupi, supported by Roberts, and unanimously approved to change the current classification to Commercial Real.

Item 7. It was moved by Lupi, and supported by Roberts, and unanimously approved to add the following 16 cities to the list of qualified local governmental units under the Obsolete Property Rehabilitation Act, PA 146 of 2000:

Bessemer	Hart	Norton Shores
Center Line	Hartford	Norway
City of Coldwater	Iron Mountain	Omer
Crystal Falls	Menominee	Portage
Gaastra	Mount Clemens	Three Rivers
		Wyoming

Item 8. It was moved by Lupi, and supported by Roberts, and unanimously approved that Richard Watza speak in Monroe County on October 16, 2003.

Item 9. It was moved by Naftaly, supported by Roberts, and unanimously approved the listed MCL 211.54 notifications of omitted or incorrectly reported property concurred in by both the assessing officer and the owner.

Item 10. **Scheduled for 9:30 A.M.**

154-02-1437 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1438 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1672 It was moved by Roberts, supported by Lupi, and unanimously approved to dismiss as duplicative file.

September 24, 2003

154-02-1121 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1345 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0347 It was moved by Lupi, supported by Roberts, and unanimously approved to deny. The Commission lacks jurisdiction in this matter due to a sale of the property.

Scheduled for 10:00 A.M.

154-02-0283 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1687 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1231 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

Scheduled for 10:30 A.M.

154-02-0063 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0348 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-0878 It was moved by Lupi, supported by Roberts, and unanimously approved that this non-concurrence be postponed at the owners' request until October 28, 2003. The Commission admitted Exhibit 1.

154-03-0049 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0340 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0341 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

Scheduled for 1:30 P.M.

154-02-0693 It was moved by Naftaly, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-0753 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1249 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1250 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1261 It was moved by Lupi, supported by Naftaly, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1082 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the requested assessed and taxable values.

154-02-1696 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the following figures:

2000 AV - \$348,700	TV - \$349,100
2001 AV - \$150,400	TV - \$134,800
2002 AV - \$133,400	TV - 119,100.

The Commission admitted Exhibit 1.

154-02-2213 It was moved by Naftaly, supported by Roberts, and unanimously approved to defer this item until October 28, 2003 to see if a corrective deed is filed. If the City agrees to a lower omitted value, the STC will approve it. If the City does not approve a lower value, the STC will enter the values requested on the agenda item for 9-24-03. Mr. Lupi opposed the motion for lack of jurisdiction under MCL 211.154 which is for omitted or incorrectly reported. The Commission admitted Exhibits 1 and 2.

Scheduled for 2:00 P.M.

154-02-1127 It was moved by Lupi, supported by Roberts, and unanimously approved to deny the requested assessment change. It was determined that the property is assessed at 0 for 2001. The Commission admitted Exhibit 1.

154-02-1689 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0051 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0052 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-03-0047 It was moved by Lupi, supported by Roberts, and unanimously approved to deny the requested assessed and taxable values.

September 24, 2003

Scheduled for 2:30 P.M.

154-02-1692 It was moved by Roberts, supported by Naftaly, and unanimously approved to postpone.

154-03-0064 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the requested assessed and taxable values.

154-02-2440 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the requested assessed and taxable values.

154-02-2218 It was moved by Lupi, supported by Roberts, and unanimously approved to adopt the requested assessed and taxable values.

154-02-2219 It was moved by Roberts, supported by Lupi, and unanimously approved to adopt the requested assessed and taxable values.

Scheduled for 3:00 P.M.

Exhibit 1 from Gary Evanko, Wayne County Equalization Department, for the county was admitted.

It was moved by Naftaly, supported by Roberts, and unanimously approved to postpone the following petitions for the years 1998 and 1999 until the STC Meeting on November 13, 2003, and to refer the matter to legal counsel for its recommendations:

154-00-0978	154-00-0999	154-00-1019
154-00-0979	154-00-1000	154-00-1020
154-00-0981	154-00-1001	154-00-1021
154-00-0982	154-00-1002	154-00-1022
154-00-0983	154-00-1003	154-00-1023
154-00-0984	154-00-1004	154-00-1024
154-00-0985	154-00-1005	154-00-1025
154-00-0986	154-00-1006	154-00-1026
154-00-0987	154-00-1007	154-00-1027
154-00-0988	154-00-1008	154-00-1028
154-00-0989	154-00-1009	154-00-1029
154-00-0990	154-00-1010	154-00-1030
154-00-0991	154-00-1011	154-00-1031
154-00-0992	154-00-1012	154-00-1032
154-00-0993	154-00-1013	154-00-1033
154-00-0994	154-00-1014	154-00-1034
154-00-0995	154-00-1015	154-00-1035
154-00-0996	154-00-1016	154-00-1036
154-00-0997	154-00-1017	154-00-1037
154-00-0998	154-00-1018	154-00-1038

Minutes of the Regular Meeting of the State Tax Commission

Page 6

September 24, 2003

154-00-1039	154-01-1388	154-01-1419
154-00-1040	154-01-1389	154-01-1420
154-00-1041	154-01-1390	154-01-1421
154-00-1042	154-01-1391	154-01-1422
154-00-1043	154-01-1392	154-01-1423
154-00-1044	154-01-1393	154-01-1424
154-00-1045	154-01-1394	154-01-1425
154-00-1046	154-01-1395	154-01-1426
154-00-1047	154-01-1396	154-01-1427
154-00-1048	154-01-1397	154-01-1428
154-01-1367	154-01-1398	154-01-1429
154-01-1368	154-01-1399	154-01-1430
154-01-1369	154-01-1400	154-01-1431
154-01-1370	154-01-1401	154-01-1432
154-01-1371	154-01-1402	154-01-1433
154-01-1372	154-01-1403	154-01-1434
154-01-1373	154-01-1404	154-01-1435
154-01-1374	154-01-1405	154-01-1436
154-01-1375	154-01-1406	154-01-1437
154-01-1376	154-01-1407	154-01-1438
154-01-1377	154-01-1408	154-01-1439
154-01-1378	154-01-1409	154-01-1440
154-01-1379	154-01-1410	154-01-1441
154-01-1380	154-01-1411	154-01-1442
154-01-1381	154-01-1412	154-01-1443
154-01-1382	154-01-1413	154-01-1444
154-01-1383	154-01-1414	154-01-1445
154-01-1384	154-01-1415	154-01-1446
154-01-1385	154-01-1416	
154-01-1386	154-01-1417	
154-01-1387	154-01-1418	

Item 11. Commission approved to receive and filed and accept notification.

Item 12. It was moved by Naftaly, supported by Roberts, and unanimously approved to accept the staff recommendation to send letters to the County Board of Commissioners of Delta County, Menominee County, Missaukee County, and Oscoda County requesting that they authorize email and Internet access to their equalization departments.

Item 13. It was moved by Roberts, supported by Lupi, and unanimously approved to issue certificates as recommended by staff.

Item 14. It was moved by Roberts, supported by Lupi, and unanimously approved to transfer certificates as recommended by staff.

- Item 15. It was moved by Roberts, supported by Lupi, and unanimously approved to amend certificates as recommended by staff.
- Item 16. It was moved by Lupi, supported by Roberts, and unanimously approved to deny the requested action as recommended by staff.
- Item 17. It was moved by Roberts, supported by Lupi, and unanimously approved to revoke, per Section 15(3) subject to an offer of hearing as recommended by staff.
- Item 18. It was moved by Roberts, supported by Lupi, and unanimously approved to approve the applications as recommended by staff.
- Item 19. It was moved by Roberts, supported by Lupi, and unanimously approved to issue certificates as recommended by staff.
- Item 20. It was moved by Lupi, supported by Roberts, and unanimously approved to transfer the certificates as recommended by staff.
- Item 21. It was moved by Lupi, supported by Roberts, and unanimously approved to dismiss certificates as recommended by staff.
- Item 22. 154-02-1464 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order
- Item 23. 154-02-1454 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 24. 154-02-1467 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 25. 154-02-1469 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 26. 154-02-1446 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 27. 154-03-0557 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 28. 154-03-0487 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.
- Item 29. 154-02-0874 It was moved by Roberts, supported by Lupi, and unanimously approved to accept the Amended Official Order.

September 24, 2003

- Item 30. It was moved by Roberts, supported by Lupi, and unanimously approved to accept the staff recommendation for the Proposed 2004 Personal Property Statement (As of 12-31-03) L-4175.

It was moved by Naftaly, supported by Roberts, and unanimously approved to adjourn the meeting at 3:54 P.M.

DATED TYPED: September 29, 2003

DATE APPROVED: October 8, 2003

**Robert H. Naftaly, Chair,
State Tax Commission**

**Robert R. Lupi, Member,
State Tax Commission**

**Douglas B. Roberts, Member,
State Tax Commission**